

2013 Sullivan County Property Tax Report with Comparison to 2012

Legislative Services Agency

September 2013



This report describes property tax changes in Sullivan County between 2012 and 2013.

Property tax changes in 2013 were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. However, three statewide trends affected a large number of counties.

- First, pay-2013 was a statewide reassessment year. In past reassessments there were double-digit percentage increases in assessed values, but this time assessments were almost unchanged statewide. The difference was trending, which has been adjusting assessments annually since 2007. Few counties experienced large assessment increases in 2013. Many experienced assessment decreases.
- Second, farmland assessments continued to rise, with the base rate of an acre increasing 8.7% from \$1,500 to \$1,630. High commodity prices and low interest rates were the reason. Rising farmland assessments were especially important in rural counties, where farmland is a larger part of total assessed value.
- Third, many local income tax credit rates increased substantially. This was due to a corrected distribution of local income tax revenues to local governments. Extra income tax revenue was applied to tax credits in 2013. This may mean that credit rates will fall (and tax bills will rise) in 2014.

Still, local factors were most influential in individual counties in 2013. Here is what affected taxes in Sullivan County.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2013	11.1%	\$19,523,411	\$957,192,238	3.9%
Change		7.9%	2.0%	
2012	-4.0%	\$18,095,913	\$938,177,108	3.3%

Comparable Homestead Property Tax Changes in Sullivan County

The total tax bill for all taxpayers in Sullivan County increased by 11.1% in 2013. The main reason was a 7.9% increase in the total property tax levy. In this reassessment year, certified net assessed value increased by 2.0%. Billed AV rose by 4.1%, greater than the change in certified AV. The larger increase in billed AV helps explain why the net tax rise exceeded the levy increase. Tax cap credits as a share of the levy increased from 3.3% in 2012 to 3.9% in 2013.

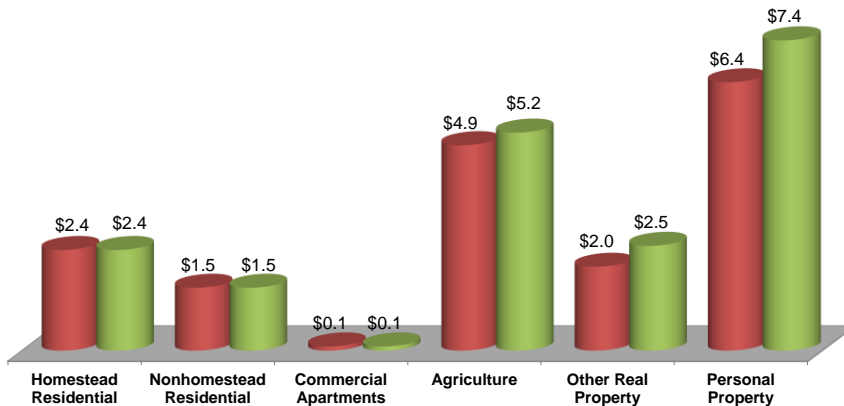
Sullivan County homeowners experienced a small 1.1% increase in property tax bills in 2013. This was due to an increase in property tax rates which was not quite offset by a decline in homestead net assessed value. Statewide, the average homeowner's tax bill was almost unchanged.

	2012 to 2013	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	2,831	50.2%
No Change	544	9.6%
Lower Tax Bill	2,267	40.2%
Average Change in Tax Bill	1.1%	
Detailed Change in Tax Bill		
20% or More	537	9.5%
10% to 19%	829	14.7%
1% to 9%	1,465	26.0%
-1% to 1%	544	9.6%
-1% to -9%	1,145	20.3%
-10% to -19%	624	11.1%
-20% or More	498	8.8%
Total	5,642	100.0%

Note: Percentages may not total due to rounding.

Comparison of Net Property Tax by Property Type (In Millions)

■ 2012 - Total \$17.3 ■ 2013 - Total \$19.1



In Sullivan County most net property taxes were paid by business (other real and personal) and agriculture property owners in 2013. Total net property taxes increased 11.1%, more than the average 2.1% increase statewide. Business real property saw the largest increase, while nonhomestead residential property is the only sector to have reduced taxes.

Property tax rates increased in all but one of the 16 Sullivan County tax districts in 2013. The average tax rate rose by 5.7% because a large levy increase exceeded the increase in certified net assessed value. Statewide, the average tax rate increased by 4.2%.

The total levies of all government units in Sullivan County increased by 7.9%, compared to a 3.7% statewide levy increase. Detailed levy changes for local governments in Sullivan County are included in a later table.

Property Type	Gross AV Pay 2012	Gross AV Pay 2013	Gross AV Change	Net AV Pay 2012	Net AV Pay 2013	Net AV Change
Homesteads	\$395,133,400	\$387,722,200	-1.9%	\$118,430,806	\$114,545,446	-3.3%
Other Residential	87,170,900	82,677,200	-5.2%	85,537,411	81,012,948	-5.3%
Ag Business/Land	287,463,500	286,174,900	-0.4%	281,977,948	280,635,500	-0.5%
Business Real/Personal	489,157,105	534,155,908	9.2%	455,743,131	504,113,915	10.6%
Total	\$1,258,924,905	\$1,290,730,208	2.5%	\$941,689,296	\$980,307,809	4.1%

Net AV equals gross AV less deductions and exemptions. Certified net AV is set with the budget, certified by the county auditor and used to calculate tax rates. It may be adjusted by the auditor to account for appeals. Net AV in the above table is summed from tax bills. It includes TIF allocations while certified net AV does not. Gross AV also is summed from tax bills. Circuit breaker tax caps are calculated on gross AV.

Sullivan County's total billed net assessed value increased by 4.1% in 2013. Increases in business assessments exceeded assessment declines in other property types. Net assessed value for all of Indiana was nearly unchanged, rising by only 0.1%.

Tax Cap Category	2012	2013	Difference	% Change
1%	\$41,970	\$46,607	\$4,637	11.0%
2%	373,243	442,153	68,910	18.5%
3%	168,108	267,916	99,809	59.4%
Elderly	8,607	11,541	2,934	34.1%
Total	\$591,928	\$768,217	\$176,289	29.8%
% of Levy	3.3%	3.9%		

Total tax cap credits in Sullivan County were \$768,217, which was 3.9% of the levy. This was less than the state average of 10.9%, and slightly less than the median or typical county percentage of 4.2%. Tax rates were the main determinant of tax cap credits. Sullivan County's average tax rate was near the

median rate statewide. More than half of Sullivan County's tax cap credits were in the 2% nonhomestead residential/farmland category. Most of the rest were in the 3% business category. A later table shows tax cap credits by category for each local government unit.

Tax cap credits in Sullivan County increased \$176,289 between 2012 and 2013. Credits as a share of the total levy rose to 3.9% in 2013 from 3.3% in 2012.

Sullivan County Levy Comparison by Taxing Unit

Taxing Unit	2009	2010	2011	2012	2013	% Change			
						2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013
County Total	17,292,955	18,087,999	18,635,762	18,095,913	19,523,411	4.6%	3.0%	-2.9%	7.9%
Sullivan County	5,355,169	5,528,680	5,697,088	5,875,803	6,043,712	3.2%	3.0%	3.1%	2.9%
Cass Township	51,242	51,401	52,701	55,626	55,600	0.3%	2.5%	5.6%	0.0%
Curry Township	196,609	201,693	208,769	187,769	206,601	2.6%	3.5%	-10.1%	10.0%
Fairbanks Township	57,057	58,767	60,495	62,228	62,758	3.0%	2.9%	2.9%	0.9%
Gill Township	129,580	134,598	139,395	137,604	141,046	3.9%	3.6%	-1.3%	2.5%
Haddon Township	81,803	85,256	89,106	93,532	95,360	4.2%	4.5%	5.0%	2.0%
Hamilton Township	135,384	138,277	141,995	145,047	148,959	2.1%	2.7%	2.1%	2.7%
Jackson Township	54,365	56,178	56,207	56,291	56,263	3.3%	0.1%	0.1%	0.0%
Jefferson Township	48,390	48,815	47,057	47,305	48,600	0.9%	-3.6%	0.5%	2.7%
Turman Township	58,615	60,492	62,021	63,757	65,284	3.2%	2.5%	2.8%	2.4%
Sullivan Civil City	1,076,434	1,103,927	1,136,313	1,171,167	1,203,168	2.6%	2.9%	3.1%	2.7%
Carlisle Civil Town	93,615	97,102	99,246	102,663	105,362	3.7%	2.2%	3.4%	2.6%
Dugger Civil Town	71,049	84,093	89,832	92,686	92,679	18.4%	6.8%	3.2%	0.0%
Farmersburg Civil Town	59,287	60,483	62,520	64,072	60,558	2.0%	3.4%	2.5%	-5.5%
Hymera Civil Town	52,992	58,167	60,260	62,198	63,900	9.8%	3.6%	3.2%	2.7%
Merom Civil Town	16,514	18,692	19,190	19,791	19,791	13.2%	2.7%	3.1%	0.0%
Shelburn Civil Town	73,632	71,301	74,808	81,713	84,025	-3.2%	4.9%	9.2%	2.8%
Northeast School Corp	2,761,347	2,701,336	2,722,080	2,476,164	2,713,421	-2.2%	0.8%	-9.0%	9.6%
Southwest School Corp	5,964,604	6,540,142	6,799,001	6,251,615	7,177,568	9.6%	4.0%	-8.1%	14.8%
Sullivan County Public Library	955,267	988,599	1,017,678	1,048,882	1,078,756	3.5%	2.9%	3.1%	2.8%
Sullivan County Solid Waste Mgmt Dist	0	0	0	0	0				

Sullivan County 2013 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	LOIT PTRC	Credit Rates					Net Tax Rate, Homesteads
				COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
77001	Cass Township	1.6597	--	--	--	--	--	--	1.6597
77002	Dugger Town	2.3392	--	--	--	--	--	--	2.3392
77003	Curry Township	1.7530	--	--	--	--	--	--	1.7530
77004	Farmersburg Town	2.1214	--	--	--	--	--	--	2.1214
77005	Shelburn Town	2.2659	--	--	--	--	--	--	2.2659
77006	Fairbanks Township	1.6393	--	--	--	--	--	--	1.6393
77007	Gill Township	1.9821	--	--	--	--	--	--	1.9821
77008	Merom Town	2.9019	--	--	--	--	--	--	2.9019
77009	Haddon Township	1.9835	--	--	--	--	--	--	1.9835
77010	Carlisle Town	3.1700	--	--	--	--	--	--	3.1700
77011	Hamilton Township	2.0229	--	--	--	--	--	--	2.0229
77012	Sullivan City	3.6762	--	--	--	--	--	--	3.6762
77013	Jackson Township	1.6720	--	--	--	--	--	--	1.6720
77014	Hymera Town	2.6755	--	--	--	--	--	--	2.6755
77015	Jefferson Township	1.5785	--	--	--	--	--	--	1.5785
77016	Turman Township	2.0382	--	--	--	--	--	--	2.0382

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Sullivan County 2013 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	46,607	440,337	261,589	11,541	760,073	19,523,411	3.9%
<i>TIF Total</i>	0	1,816	6,328	0	8,144	143,132	5.7%
<i>County Total</i>	46,607	442,153	267,916	11,541	768,217	19,666,543	3.9%
Sullivan County	8,506	84,351	45,152	3,221	141,230	6,043,712	2.3%
Cass Township	4	378	0	49	431	55,600	0.8%
Curry Township	2	1,037	0	91	1,131	206,601	0.5%
Fairbanks Township	0	0	0	19	19	62,758	0.0%
Gill Township	7	57	0	9	74	141,046	0.1%
Haddon Township	6	291	85	21	403	95,360	0.4%
Hamilton Township	580	3,862	2,530	208	7,181	148,959	4.8%
Jackson Township	4	593	0	65	661	56,263	1.2%
Jefferson Township	0	0	0	8	8	48,600	0.0%
Turman Township	1	794	0	33	829	65,284	1.3%
Sullivan Civil City	19,970	156,753	118,706	1,216	296,646	1,203,168	24.7%
Carlisle Civil Town	143	10,659	3,124	94	14,020	105,362	13.3%
Dugger Civil Town	39	3,878	0	188	4,105	92,679	4.4%
Farmersburg Civil Town	0	1,046	0	73	1,119	60,558	1.8%
Hymera Civil Town	39	6,228	0	292	6,558	63,900	10.3%
Merom Civil Town	0	2,441	0	1	2,442	19,791	12.3%
Shelburn Civil Town	23	3,777	0	125	3,925	84,025	4.7%
Northeast School Corp	98	15,475	0	1,486	17,058	2,713,421	0.6%
Southwest School Corp	15,666	133,661	83,932	3,767	237,025	7,177,568	3.3%
Sullivan County Public Library	1,518	15,056	8,059	575	25,208	1,078,756	2.3%
Sullivan County Solid Waste Mgmt Dist	0	0	0	0	0	0	
TIF - Shelburn Housing TIF	0	822	0	0	822	7,556	10.9%
TIF - Shelburn TIF Area	0	1	0	0	1	532	0.2%
TIF - Three Hundred North Area	0	915	0	0	915	100,471	0.9%
TIF - Stewart Street Project	0	78	6,328	0	6,406	34,573	18.5%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over. The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.